

News from the

U.S. Senate Committee on Health, Education, Labor and Pensions

Michael B. Enzi (Wyoming), Chairman



**For Immediate Release
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Enzi Praises SEC Decision to Issue New Accounting Guidance to Vaccine Makers; Will Encourage Participation in National Stockpiling Programs

Washington, D.C. - U.S. Senator Mike Enzi, R-WY, Chairman of the Senate Health, Education, Labor and Pensions Committee (HELP Committee) today applauded a decision by the Securities and Exchange Commission (SEC) to publish new guidance to assist vaccine manufacturers with accounting procedures related to participation in federal vaccine stockpile programs.

In a letter to Chairman Enzi, SEC Chairman Christopher Cox confirmed the SEC's decision, which he said will remove accounting issues as a reason for manufacturers to avoid participation.

"The SEC has made the right decision to provide vaccine manufacturers new guidance on accounting methods related to this program. I believe this effort will ultimately encourage manufacturers to participate in our nation's vaccine stockpiling programs and will result in a better outcome than a legislative remedy," Enzi said.

"Developing adequate supplies of vaccines to treat the spread of infectious diseases during a potential pandemic is one of the most critical needs we face today to protect the public health," Enzi added.

In a November 22nd letter to Chairman Cox, Enzi and Senator Christopher Dodd (D-CT) and Senator Jack Reed (D-RI), members of both the Senate's Health, Education, Labor, and Pensions Committee and the Banking, Housing, and Urban Affairs Committee, wrote that they were

“concerned that SEC revenue recognition guidelines could serve as a disincentive to the establishment and maintenance of stockpiles for biodefense countermeasures, pandemic flu vaccines and products, medical products and adult and childhood vaccines.” Both Dodd and Reed received letters from Cox today, notifying them of the decision to issue new guidance.

The three senators have been working with the SEC and the Department of Health and Human Services to ensure that accounting rules and guidelines do not have unintended consequences in the ability of vaccine manufactures to participate in federal vaccine stockpile programs.

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